

SAUL CENTERS, INC.

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**Saul Centers, Inc. Closes Offering of
3,000,000 Depositary Shares representing interests in its
6.125% Series D Cumulative Redeemable Preferred Stock
and
Announces Redemption of
3,000,000 Depositary Shares representing interests in its
6.875% Series C Cumulative Redeemable Preferred Stock**

January 23, 2018

For Immediate Release

BETHESDA, MARYLAND - Saul Centers, Inc. (NYSE: BFS) (the “Company”) today announced that it has closed an underwritten public offering of 3,000,000 depositary shares, each representing a 1/100th fractional interest in a share of its newly designated 6.125% Series D Cumulative Redeemable Preferred Stock, at a price of \$25.00 per depositary share. The joint book-running managers for the offering were Raymond James & Associates, Inc., RBC Capital Markets, LLC, Stifel, Nicolaus & Company, Incorporated, B. Riley FBR, Inc. and D.A. Davidson & Co.

Today the Company also called for the redemption of 3,000,000 depositary shares, each representing a 1/100th fractional interest in a share of its 6.875% Series C Cumulative Redeemable Preferred Stock (the “Depositary Shares”, CUSIP: 804395606; NYSE: BFSPrC). The Depositary Shares will be redeemed for cash on February 22, 2018, at \$25.00 per share, plus all accumulated and unpaid distributions to, but not including, the redemption date, for an aggregate redemption price of \$25.24345 per Depositary Share.

The redemptions will be made in accordance with The Depositary Trust Company’s procedures. The Depositary Shares shall be surrendered for payment of the redemption price to Continental Stock Transfer & Trust Company, the redemption and paying agent. From and after the redemption date, dividends will cease to accrue on the Depositary Shares that were redeemed, regardless of whether they were surrendered for payment.

Saul Centers, Inc. is a self-managed, self-administered equity REIT headquartered in Bethesda, Maryland, which currently operates and manages a real estate portfolio of 58 properties, which includes (a) 49 community and neighborhood shopping centers and six mixed-use properties with approximately 9.2 million square feet of leasable area and (b) three land and development properties. Approximately 85% of the Saul Centers' property operating income is generated by properties in the metropolitan Washington, DC/Baltimore area.

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Saul Centers

www.SaulCenters.com